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Turkey

Cotton and Products Update

Turkey Cotton Update

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Report Highlights:

The MY 2015 Turkish cotton crop is estimated at 370,000 hectares and 580,000 MT (2.6 million bales). Excessive rains following planting in the Aegean region and frost in the South Anatolian region forced farmers to replant however irrigation water helped to minimize yield losses. Presently the crop is developing very well with no major insect attacks. Domestic cotton consumption is estimated about 1.38 MMT (6.3 million bales) despite the narrowing export opportunities due to due to political problems in the export markets. Total cotton imports during the first ten months of MY 2014 were 688,000 MT (3.1 million bales), of which 285,000 MT (1.3 million bales) were US cotton.

Post:

Ankara

Production

MY 2015 cotton planting area and production are estimated about 370,000 hectares and 580,000 MT (2.6 million bales) down about seventeen percent compared to last year's crop. Lower returns during MY 2014 persuaded farmers to plant wheat and corn. Although the Government of Turkey (GOT) provided an increased production bonus for cotton, it did not help to improve planting area during the year due to the late announcement.

The GOT, to promote cotton planting, has increased the seed cotton production bonus for the second year in a row to TL 0.65 per kilogram from 0.55 per kilogram a year ago (as of 8/13/2015 \$US1=2.75 TL).

Turkey became part of the Better Cotton Initiative (BCI) two years ago and is expected to produce about 40,000 MT of BCI cotton in MY 2015.

Consumption

In MY 2014, domestic cotton consumption was about 1.38 MMT (6.3 million bales). Decreased yarn imports of China from Asian sources increased competition for Turkish mills in the European market. Textile and yarn exporting Turkish firms benefited from the devaluation of the Turkish Lira against the major currencies during the marketing year but they also had to lower their margins to keep their market share in the European market.

Due to competition, total value of Turkish exports of textiles and garments have decreased 6.6 percent and 5.5 percent respectively during the last twelve months and total exports declined to \$US25.4 billion from \$27 billion a year ago.

Domestic consumption is expected to decline to 1.32MMT (6.03 billion bales) during MY 2015 due to continuing political and economic problems in various export market such as Russia, Ukraine, The Middle East and North Africa.

Trade

Total imports for the first ten months of MY 2014 were 688,000 MT (3.16 million bales). Early season purchases of US cotton shipments were delayed due to the uncertainties caused by the antidumping duty investigation on US cotton exports. Imports started to increase during the second half of the marketing year to meet the need of the mills. The U.S. provided about forty percent of the cotton imports with 285,000 MT (1.3 million bales). Turkmenistan (140,000 MT), Greece (125,000 MT), and Brazil (54,000 MT) were the other leading suppliers during the same period. Despite the war conditions in Syria, about 28,000 MT of Syrian cotton also found its way to the Turkish market. MY 2014 year end imports are expected to be 775,000 MT (3.5 million bales).

During the first ten months of MY 2014, Turkish total cotton exports reached 42,400 MT, of which 11,000 MT were lint cotton for textile use and 31,000 MT were hydrofoil cotton for medical use. About 3,700 MT of Turkish cotton export were to the Kayseri Free Trade Zone that can be imported back into the country later. Ethiopia was the leading destination for Turkish cotton exports with 1,800 MT followed by Bangladesh about 1,200 MT.

Cotton	2013/2014	2014/2015	2015/2016
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Market Begin Year	Aug-13		Aug-14		Aug-15	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	330	330	430	430	380	370
Beginning Stocks	1315	826	1357	834	1657	1040
Production	2300	2300	3200	3213	2800	2663
Imports	4246	4242	3650	3557	3700	3557
MY Imports from U.S.	0	2037	0	1606	0	1607
Total Supply	7861	7368	8207	7604	8157	7260
Exports	204	204	250	230	230	252
Use	6300	6330	6300	6334	6400	6105
Loss	0	0	0	0	0	0
Total Dom. Cons.	6300	6330	6300	6334	6400	6105
Ending Stocks	1357	834	1657	1040	1527	903
Total Distribution	7861	7368	8207	7604	8157	7260

(1000 HA)-,1000 480 lb. Bales

PSD Table Turkey						
Cotton (HECTARES)(MT)						
	2013	Revised	2014	Estimate	2015	Forecast
	Post Estimate [Old]	Post Estimate [New]	Post Estimate [Old]	Post Estimate [New]	Post Estimate [Old]	Post Estimate [New]
Market Year Begin		Aug-13		14-Aug		15-Aug
Area Planted	330000	330000	430000	430000	380000	370000
Area Harvested	330000	330000	430000	430000	380000	370000
Beginning Stocks	180014	180014	180055	180055	180055	225055
Production	500000	500000	700000	700000	600000	580000
Imports	924373	924373	650000	775000	775000	775000
MY Imp. from U.S.	443855	443855	300000	350000	350000	350000
TOTAL SUPPLY	1604387	16043855	1530055	1655055	1555055	1580055
Exports	44332	44332	50000	50000	50000	55000
USE Dom. Consumption	1380000	1380000	1300000	1380000	1325000	1330000
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	1380000	1380000	1300000	1380000	1325000	1330000
Ending Stocks	180055	180055	180055	225055	180055	195055
TOTAL DISTRIBUTION	1600014	16043855	1530055	1655055	1555055	1580055

Import Trade Matrix			
Turkey			
Commodity	Cotton	Units:	Metric Tons
Time Period	Aug/July		Aug/May
Imports for:	MY 2013		MY 2014
U.S.	443855	U.S.	285093
Others			
Turkmenistan	165065	Turkmenistan	139494
Greece	144974	Greece	124913
India	52220	Brazil	54011
Syria	42993	Syria	28389
Tajikistan	18162	Argentina	12248
Brazil	17903	Tajikistan	11585
Uzbekistan	11885	India	5166
Burkina Faso	8731	Uzbekistan	3906
Kyrgyzstan	3655	Mali	3194
FTZ Mersin	2980	Cod d'Ivoire	2991
Total of Others	468568		385897
Others not listed	11950		17693
Grand Total	924373		688683
Country	Turkey		
Commodity	Cotton	Units:	Bales
Time Period	Aug/July		Aug/May
Imports for:	MY 2013		MY 2014
U.S.	2037294	U.S.	1308577
Others			
Turkmenistan	757648	Turkmenistan	640277
Greece	665430	Greece	573351
India	239690	Brazil	247910
Syria	197338	Syria	230306
Tajikistan	83363	Argentina	56218
Brazil	82175	Tajikistan	53175
Uzbekistan	54552	India	23712
Burkina Faso	40075	Uzbekistan	17929
Kyrgyzstan	16776	Mali	14660
FTZ Mersin	13678	Cod d'Ivoire	13729
Total of Others	2150725		1871267
Others not listed	54850		81211
Grand Total	4242872		3161055